

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUENOS 08833 051400Z

46

ACTION ARA-10

INFO OCT-01 ISO-00 AEC-05 AID-05 CEA-01 CIAE-00 CIEP-01

COME-00 DODE-00 EB-07 FEAE-00 FPC-01 H-01 INR-05

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 RSC-01 SAM-01

OES-03 SP-02 SS-15 STR-01 TRSE-00 FRB-01 PRS-01 PA-01

USIA-06 AGR-05 ACDA-05 /095 W
----- 090490

R 051316Z DEC 74

FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 9072

LIMITED OFFICIAL USE BUENOS AIRES 8833

E.O. 11652: N/A

TAGS: ENRG, AR

SUBJECT: SECRETARY REVESTIDO SPEAKS ON ARGENTINE ENERGY POLICY

1. ON OCCASION APPOINTMENT OF MARIO JOSE BLANCO AS DIRECTOR OF NATIONAL PETROLEUM ENTERPRISE (YPF), NEW ENERGY SECRETARY MIGUEL REVESTIDO GAVE SPEECH OUTLINING VARIOUS ASPECTS GOA ENERGY POLICY. HIGHLIGHTS AS FOLLOWS:

2. GENERAL - OVERALL OBJECTIVE IS TO REACH ENERGY SELF-SUFFICIENCY BY 1977. STRATEGY IS TO SLOW CONSUMPTION INCREASE AND EXPAND PRODUCTION, GRADUALLY SHIFTING EMPHASIS FROM PETROLEUM PRODUCTION TO OTHER ENERGY SOURCES INCLUDING HYDROELECTRIC POWER AND GAS.

3. OFFSHORE PETROLEUM EXPLORATION - GOA MUST STEP UP OFFSHORE PETROLEUM EXPLORATION TO MEET FUTURE ENERGY DEMANDS. GEOPHYSICAL SHIP NOW OPERATING OFFSHORE WILL PROVIDE VALUABLE GEOPHYSICAL INFORMATION. GOA HAS PURCHASED JACK UP TYPE PLATFORM TO OPERATE IN SHALLOW WATER OFF SAN SEBASTIAN BAY IN TIERRA DEL FUEGO BEGINNING JANUARY 1975. (SHORTLY AFTER SPEECH, PLATFORM,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUENOS 08833 051400Z

WHICH HAD BEEN PURCHASED FROM US COMPANY WALKER, HUTHNANCE

OF HOUSTON, TEXAS, SANK NEAR ARUBA ENROUTE TO ARGENTINA CAUSING CONSIDERABLE EMBARRASSMENT TO YPF OFFICIALS INVOLVED.) IN FUTURE, GOA WILL REQUIRE MORE OFFSHORE DRILLING RIGS TO OPERATE IN 200-300 METER WATER, TOGETHER WITH ACCOMPANYING EQUIPMENT INCLUDING SHIPS, HELICOPTERS, ETC. (MAJOR GOA INTEREST APPEARS TO LIE IN "CUENCA AUSTRAL" AREA OFF TIERRA DEL FUEGO).

4. ON SHORE PRODUCTION - REVESTIDO ALSO EMPHASIZED EXPANSION ON SHORE PRODUCTION, INCLUDING INCREASE IN EXPLORATION AND EXPLOITATION IN SOUTHERN ARGENTINA AND HIGHER PRIORITY TO SECONDARY RESERVE RECOVERY. GREATER EFFORT REQUIRED BECAUSE EXISTING RESERVES ONLY SUFFICIENT TO COVER ELEVEN YEARS CONSUMPTION.

5. GAS - GOA TO PLACE MAJOR EMPHASIS ON EXPANDING GAS PRODUCTION AS SUBSTITUTE FOR PETROLEUM. FOR 1975, TARGET IS 20 PERCENT INCREASE IN GAS OUTPUT, ALLOWING \$100 MILLION FOREIGN EXCHANGE SAVING. HIGH PRIORITY TO BE GIVEN TO EXPLOITATION OF LARGE FIELDS IN TIERRA DEL FUEGO AND NEUQUIN. GAS DEL ESTADO STUDYING POSSIBILITY OF CONSTRUCTING NEW GAS LINES TO CONNECT TIERRA DEL FUEGO RESERVES WITH AUSTRAL GAS LINE, AND FOR TRANSPORT OF NEW NEUQUIN RESERVES.

6. NUCLEAR POWER - REVESTIDO REAFFIRMED CURRENT GOA POLICY TO PROMOTE NUCLEAR DEVELOPMENT BASED ON NATURAL URANIUM. HE SPECIFICALLY CALLED FOR PROGRESS ON RIO TERCERO ATOMIC FACILITY, AND INSTALLATION OF HEAVY WATER PLANT.

7. COAL. - COAL TO BE GRADUALLY SUBSTITUTED FOR PETROLEUM AND DERIVATIVES IN EXISTING AND FUTURE THERMAL PLANTS.

8. COMMENT: REVESTIDO'S COMMENTS PROVIDE INTERESTING OVERVIEW GOA PRIORITIES IN ENERGY FIELD. HOWEVER, SPEECH APPEARS FULL OF EXAGGERATION; FOR EXAMPLE, ARGENTINA NOT LIKELY TO BECOME ENERGY SELF-SUFFICIENT BY 1977. IT'S NOT BELIEVED YPF HAS CAPABILITY TO MOUNT MAJOR OFFSHORE EXPLORATION AND DRILLING PROGRAM ON ITS OWN, AND CONSEQUENTLY FUTURE POSSIBILITIES MAY EXIST FOR INVOLVEMENT FOREIGN FIRMS. US COMPANIES INVOLVED GAS PRODUCTION AND DISTRIBUTION MAY WISH NOTE GOA EMPHASIS ON LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BUENOS 08833 051400Z

EXPANDING GAS PRODUCTION HERE.
HILL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ENERGY, POLICIES, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 05 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BUENOS08833
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740353-0310
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741259/aaaabyfs.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 05 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 SEP 2002 by boyleja>; APPROVED <13 MAR 2003 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SECRETARY REVESTIDO SPEAKS ON ARGENTINE ENERGY POLICY
TAGS: ENRG, AR, (REVESTIDO, MIGUEL)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005